### BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION	)
OF DELMARVA POWER & LIGHT COMPANY,	)
EXELON CORORPATION, PEPCO HOLDINGS	) PSC DOCKET NO. 14-193
INC., PURPLE ACQUISITION CORPORATION,	)
EXELON ENERGY DELIVERY COMPANY, LLC	)
AND SPECIAL PURPOSE ENTITY, LLC	)
FOR APPROVALS UNDER THE PROVISIONS	)
OF 26 Del. C. §§ 215 AND 1016	)
(FILED JUNE 18, 2014)	)

#### INTERVENOR JEREMY FIRESTONE'S MOTION TO COMPEL DISCOVERY

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Intervenor Jeremy Firestone hereby moves the Hearing Examiner to compel answers to interrogatories and production of documents from Delmarva Power & Light Company ("Delmarva"), Pepco Holdings, Inc. (PHI), Exelon Corporation ("Exelon), Exelon Energy Delivery Company, LLC, ("EEDC") and Special Purpose Entity, LLC, ("SPE") (collectively, "Joint Applicants") which was served upon them on July 31, 2014. In support of its Motion, the following is provided:

#### **Background**

- 1. On July 27, 2014, the Movant, Jeremy Firestone, filed a timely Petition to Intervene
- 2. By email dated July 28, 2014, Todd Goodman, on behalf of the Joint Applicants stated that they did not object to my Petition.

- My Petition was further discussed at the Scheduling Conference held on July 30,
   2014. Ultimately no objection was maintained. Significantly, the Joint Applicants did not request that my intervention be limited in any way. At the Scheduling
   Conference, my Petition to Intervene was granted from the Bench.
- 4. On July 31, I timely filed my Initial Phase Interrogatories and Requests for Production of Documents, which are attached hereto, as Exhibit A.
- 5. On August 5, 2014, by Order No. 8603, the Hearing Examiner granted my Petition to Intervene. That order provided that I, and others who had also sought intervention, were granted status broadly as "parties of record." (Paragraph 3). The only limitation placed on our interventions was that they were based on the then current posture of the Docket, including prior Commission orders and the July 31, 2014, "Revised Merger Schedule," a schedule whose construction I participated in during the July 30, 2014 Scheduling Conference. The Joint Applicants did not seek Commission review of this Order.
- 6. On or about August 6, 2014, I met with Thomas McGonigle and Todd Goodman, cocounsel for the Joint Applicants regarding my discovery requests. At that time I agreed to withdraw several discovery requests without prejudice. We also agreed to limiting language in Interrogatory 28. That interrogatory provided:

Identify each person who participated in, supplied information to, or assisted the person verifying the answers to these interrogatories and requests for production of documents, including those person(s) who have provided information for such answers, stating with specificity the answer(s) involved.

The limitation was to only require the identification of those persons who participated in, supplied information to, or assisted "in a material way." The agreement was

- explicitly premised on co-counsel's representation that they would identify an individual for each and every interrogatory response, which in each case would be one of the individuals who filed pre-filed testimony.
- 7. The scheduling Order required that any blanket objections be filed within seven (7) calendar days of receipt of the discovery requests. The Joint Applicants do not file any such blanket objections to my discovery requests.
- 8. On August 12, Todd Goodman telephoned me and requested that we further limit interrogatory 28 because employees of the Joint Applicants were unhappy that they would be named in the response. I understood the concern to be with those individuals other than those who filed pre-field testimony since they were already known to the world. I tentatively agreed that the Joint Applicants could decline to name those additional individuals provided that upon my review of the responses to interrogatories and within 48 hours of a request from me, that the Joint Applicants disclose any names related to a specific discovery request. The call was truncated due to other commitments of Mr. Goodman and he indicated that he would follow-up with an email in the morning. No such email was forthcoming and thus no formal agreement was reached.
- 9. On August 20, 2014, the Joint Applicants filed their response to my interrogatories (attached as Exhibit B) and produced some documents.

#### Argument

10. Because the Joint Applicants did not seek review of the Order 8603 on Intervention, which placed no substantive limits on my intervention, that is the law of the case, and

- the Joint Applicants cannot be now heard to seek to limit my intervention rights to certain substantive topics.
- 11. Assuming *arguendo* my intervention rights were substantively limited, all of my discovery to date relates to renewable energy, climate change, environmental externalities, efficiency, etc. This includes questions that relate to the fairness and size of the set aside for Delmarva customers as the size of the pie will determine what if any monies are dedicated to the topics referenced above. Moreover, I have to be able to inquire into the statutory standards such as "public interest" if my intervention is to be meaningful.
- 12. Because the Joint Applicants did not file any blanket objections to my discovery requests within the time frame set out in the Revised Merger Schedule, blanket objections are waived and they are required to answer each and every discovery request.
- 13. There are numerous instances where the Joint Applicants did not (a) respond to an interrogatory (or sub-interrogatory) request at all; (b) provided a non-responsive response to the same; or (c) failed to produce documents. These are detailed separately.
  - a. Interrogatory 8. In pertinent part, Exelon was asked to identify "what, if any steps, measures or actions that Exelon ... is intending to undertake in PHI's distribution territory with regard to a series of activities such as smart grids, microgrids, electric vehicle charging, energy storage, and prevention of natural gas leaks.

    Rather than identify such activities or indicate that Exelon had no present intention, Exelon responded by stating that it "does not engage in this activity in

- PHI's territory at this time." That much is obvious since it is presently PHI's territory. The question is what is Exelon's intention? It was able to answer similar questions (interrogatory 11 and 13) and it provides other intentions (e.g., reliability) in its joint application. It should answer the same here.
- b. As well in interrogatory 8, for that portion directed at Exelon's activities in territory it does control, rather than providing information on the steps and measures it has undertaken, the Joint Applicants only provide that "Exelon utilities evaluate technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable." As such, it is inadequate and non-responsive.
- c. Interrogatory 9 provides that: "Identify each instance in which Exelon took into account external costs in acquisition of supply by its existing energy distribution utilities and explain how it did so for each such instance." Rather than identifying each such instance, Exelon provided that the "Exelon utilities procure energy for purposes of serving default service customers in accordance with the legal and regulatory requirements of each state. Procurement requirements can be accessed through each state's commission and Exelon utilities website." This response is non-responsive and directs me on a wild goose chase.
- d. Interrogatory 14 states: "Separately for Exelon and for Pepco, identify the purpose(s), including any factors considered, of entering into the merger and/or acquisition." In response, the Joint Applicants state that they "object to this

request on grounds that it is overly broad, unduly burdensome and outside the scope of this intervener's limited intervention. Without waving any objection, the Joint Petitioners respond: See Merger Application, prefiled testimonies, Proxy Statement and other publicly available statements concerning reasons for merger." As noted above, my intervention is not limited. Second, it is not overly broad or unduly burdensome and seeks information directly relevant to a finding the Commission must consider—that is, whether or not the change in control is for a "proper purpose." Title 26 Del Code § 215(d-e). I am entitled to inquire into whether there were any purposes that were not "proper" within the meaning of the statute, including those related to renewable energy. The answer only refers to publicly-availably articulated factors with reference to certain documents and does not address non-publically articulated purposes.

- e. Interrogatory 15 requests the Joint Applicants to "Identify the ways, if any, that the acquisition and change in control, if approved, would be adverse to the public interest, including, but not limited to, any rate adjustments, and health or environmental effects." While I appreciate that the Joint Applicants on balance believe the acquisition to be in the public interest, this requests seeks if it is aware of any factors that would suggest it would be adverse to the public interest.

  Rather than answering the question, the Joint Applicants set forth their view of the legal standard to be applied and then conclude that a finding that the acquisition is not in the public interest is not warranted.
- f. Interrogatory 16 requested information on the benefits provided to Constellation and Baltimore Gas & Electric (BGE) customers from Exelon's recent acquisition

(a, b), and to "provide the basis" for providing Delmarva and PHI customers less in regard to (c) renewable energy development; (d) per customer benefit; and (e) residential rate credit and customer investment fund as well as (f) to "provide the basis" for providing a per customer benefit that is less than provided to PECO customers. The Joint Applicants state that these requests are overly broad, unduly burdensome and outside the scope of this intervener's limited intervention." As noted above, my intervention is not limited and even if it was, these questions goes to the size of the pie (and whether the application is in the public interest), and thus are directly related to my interests even as defined by the Joint Applicants, as any set aside for renewable energy will depend on the size of the pie. Moreover, subsection (c) explicitly concerns renewable energy. Nor it unduly burdensome or overbroad to compare this settlement to other settlements and indeed the Joint Applicants do so in their application (see direct Testimony of Dr. Susan F. Tierney, Table SFT-2, p. 18). The rather than answer, the Joint Applicants direct me to a set of documents, none of which explains why Delmarva power customers are to be treated less favorably than those customers of Constellation, BGE and PECO.

g. Interrogatory 17 asks a number of questions about PHI shareholders. In answer, the Joint Applicants again object on the grounds that it is overly broad, unduly burdensome and outside the scope of my intervention. They then refer me to a Proxy statement. The Proxy Statement provides information related to (f), but not to (a-e). I seek information regarding stockholdings so that I can compare the average Delmarva customer benefit to the average stockholder benefit. Again, this

- goes to the size of the pie and whether the application is in the public interest.
- h. Request for Production 1 request all "documents related to a response to the interrogatory requests." No documents were produced; rather a few links to publically available documents were provided in the interrogatory answers themselves and a few other publicly available documents were noted. No non-publically available documents were provided (other than those specifically request in other document production requests).
- i. Interrogatory 28. The Joint Applicants identifies the "person" responding to a specific interrogatory by the name of the firm—PHI or Exelon—rather than identify the individual as its counsel stated they would. As well, they do not provide the name of a single individual who assisted, participated, etc., "in a material way" and has the chutzpah to object to the phrase "in a material way" as vague and ambiguous despite having agreed to that very phrase.
- j. Request for Production 4 requested that Exelon produce "each and every Exelon communication or document relating to 30 topics noted below. While I received specific documents in response to requests for production
- (a) The Maryland Wind Energy Area designated by BOEM located off the coast of Ocean City, Maryland and Fenwick, Delaware
  - (b) The Maryland Offshore Wind Energy Act of 2013
  - (c) The Bluewater Wind Project and the Delaware Wind Energy Area
  - (d) Leasing of Wind Energy Areas designated BOEM
  - (e) The cost of offshore wind power
  - (f) The reliability of offshore wind power
  - (g) The intermittency of offshore wind power
  - (h) The purchase of power from offshore wind power projects
  - (i) Grid integration costs of wind and/or solar power
  - (j) The price suppression or avoided cost effects of wind and/or solar power
  - (k) Electric vehicles, including grid-integrated electric vehicles
  - (1) Proposed or new nuclear power generation
  - (m) A diverse supply portfolio

- (n) State Renewable Portfolio Standards (RPS) and/or Renewable Energy Credits (RECs), including solar RECs (SRECs)
  - (o) Federal Renewable Portfolio Standards Bills
  - (p) The US Production Tax Credit for nuclear power
  - (q) The US Production Tax Credit for wind power
  - (r) The US Investment Tax Credit for wind power
  - (s) The Price Anderson Act of 1957, as amended
  - (t) The federal loan guarantee program in the context of electricity generation
  - (u) The allocation of costs related to transmission
  - (v) The Regional Greenhouse Gas Initiative (RGGI)
  - (w) Carbon taxes
  - (x) Market-based programs for SO2
  - (y) Market-based programs for carbon
- (z) The American Clean Energy and Security Act, also known as the Waxman-Markey Bill, H.R. 2454, which was approved the U.S. House of Representatives in 2009
  - (aa) EPA's 2014 proposed Clean Power Plan
- (bb) The social cost of carbon, including the Interagency Working Group's efforts related thereto
  - (cc) Climate Change/Global Warming
    - (i) Whether it is occurring
    - (ii) Whether it is human caused
    - (iii) Risks posed to electrical generation supply
  - (dd) Ocean Acidification

No documents were produced; rather a few links to publically available documents were provided in the interrogatory answers themselves and a few other publicly available documents were noted. No non-publically available documents were provided (other than those specifically request in other document production requests). These production requests covered ground not covered in the interrogatories as well.

k. Production of documents request number 2 requested that the Joint Applicants "Produce a copy of the CV or resume of each person identified in response to interrogatory 27 [witnesses] and to interrogatory 28." As noted above, Joint Applicants in appropriately failed to identify any individuals in response to interrogatory 28. They also failed to produce resume or CVs of the individuals

who provided filed direct testimony. I am entitled to review a CV prior to the deponents' depositions and a resume or CV may generate follow-up discovery. For example, Dr. Tierney's CV was provided in the Application, which allowed me to observe she had testified in favor of offshore wind project power purchase.

14. Given the tight discovery timeframe, the Joint Applicants actions are highly prejudicial and violative of due process of law.

WHEREFORE, for the reasons set forth above, Jeremy Firestone, pro se, request the Hearing Examiner

- 1. Grant this Motion to Compel Discovery
- 2. Order the Joint Applicants to answer fully the afore-mentioned interrogatory requests and produce the withheld documents.
- 3. Provide that Jeremy Firestone's follow-up discovery may be supplemented within seven (7) calendar days of receipt of compliant responses.

Respectfully submitted,

Jeremy Firestone August 21, 2014

### Exhibit A

### BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION	)
OF DELMARVA POWER & LIGHT COMPANY,	)
EXELON CORORPATION, PEPCO HOLDINGS	) PSC DOCKET NO. 14-193
INC., PURPLE ACQUISITION CORPORATION,	)
EXELON ENERGY DELIVERY COMPANY, LLC	)
AND SPECIAL PURPOSE ENTITY, LLC	)
FOR APPROVALS UNDER THE PROVISIONS	)
OF 26 Del. C. §§ 215 AND 1016	)
(FILED JUNE 18, 2014)	)

INTERVENOR JEREMY FIRESTONE'S INITIAL PHASE INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO DELMARVA POWER & LIGHT COMPANY, PEPCO HOLDINGS, INC., EXELON CORPORATION, EXELON ENERGY DELIVERY COMPANY, LLC, AND SPECIAL PURPOSE ENTITY, LLC

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Intervenor Jeremy Firestone, pursuant to Delaware Public Service Commission Rules and the Scheduling Order in this matter, hereby directs the following interrogatories and requests for production of documents.

#### **INSTRUCTIONS**

- 1. Each interrogatory solicits all knowledge and information that is available to Exelon or Pepco or obtainable through their agents, representatives, lobbyists, employees, investigators, attorneys, sureties, indemnitors, or any other person employed by or connected with it or subject to its control.
- 2. If an interrogatory has subparts, Exelon and Pepco must answer each subpart separately and in full and not limit its answers to the interrogatory as a whole.

- 3. If Exelon or Pepco cannot answer any interrogatory, or subpart thereof, to the extent possible, it is to explain why it is unable to answer further and state whatever information and knowledge it has regarding the unanswered portion.
- 4. If Exelon or Pepco objects to part of a discovery request and refuses to answer that part, Exelon shall state its objection and answer the remaining portion of the discovery. If Exelon or Pepco deems part, but not all, of any discovery request herein as objectionable or as calling for information that it claims is privileged or protected, then it shall provide all information, documents or things that respond to the parts or aspects of the discovery to which no objection or claim of privilege or protection is made. If, in response to these discovery requests, any ambiguity arises in construing any interrogatory, instruction or definition, or if any interrogatory, instruction or definition is considered vague, set forth the matter deemed ambiguous or vague and the construction used in responding.
- 5. In responding to these requests for production of documents, you are required to produce all documents, wherever located, in your possession, custody or control or otherwise available to you, including, without limitation, documents in the possession of your attorneys or their investigators, accountants, consultants, or associates whether past or present.
- 6. In the event a document, or portion thereof, is withheld for any reason, indicate the following information for each such withheld document, or portion thereof:
  - (ee) The date of the document;
  - (ff) The general character or type of document;
  - (gg) The identity of the person in possession of the document;

- (hh) The identity of the author of the document;
- (ii) The identity of the recipient or holder of the document; and
- (jj) The reason, including, but not limited to, any legal obligation or privilege for withholding the document, or portion thereof.
  - 7. These requests for interrogatories shall be deemed continuing, and if Exelon or Pepco directly or indirectly obtains further information, the answer to these Interrogatories must be supplemented to the maximum extent authorized by the law within a reasonable time after Exelon and/or Pepco receives the additional information.
  - 8. If any document is withheld under claim of privilege, the privilege involved shall be stated and each document shall be identified by type of document, date, author, subject matter, recipients, and relationship of author to recipient, and a description sufficient to allow the court to determine the propriety of the privilege claim.
  - 9. For the convenience of the parties, please restate in full the discovery request to which each response or answer relates.

#### **DEFINITIONS**

- 1. "Exelon," means Exelon Corporation and Exelon Energy Delivery Company, LLC, and their subsidiaries, agents, lobbyists, employees, officers, directors, managers, commissioners, elected officials, assigns, representatives, attorneys and all persons acting or purporting to act on behalf of any of the preceding.
- 2. "Pepco" means Pepco Holdings, Inc. and Delmarva Power & Light Company, and their subsidiaries, agents, lobbyists, employees, officers, directors, managers, commissioners, elected officials, assigns, representatives, attorneys and all persons acting or purporting to act on behalf of any of the preceding.

- 3. "Applicants," "You" or "Your" means "Exelon" or "Pepco".
- 4. "BGE" means Baltimore Gas and Electric Company.
- 5. "CEG" means Constellation Energy Group.
- 6. "Applicants," "You" or "Your" means "Exelon" or "Pepco".
- 7. "Person" means any natural person or any business, legal, or governmental entity or association.
- 8. The terms "person" or "persons" shall mean and refer to the plural as well as the singular of any natural individual, or any business, legal or government entity or association, including any firm, corporation, partnership, sole proprietorship, group, trust, estate.
- 9. "External cost" means any cost that a producer or a consumer imposes on another producer or consumer, outside of any market transaction between them. It includes any costs throughout the life-cycle, including exploration, mining, transportation, and generation of electricity, and includes health, environmental, social and welfare costs.
  - 10. "REC" shall mean "renewable energy credit.
  - 11. "SREC" shall mean a solar REC
- 12. "Green Pricing Program" shall mean a program that allows electric customers to pay a premium on their electric bill to have all or a portion of their power provided from renewable energy sources, whether such program is mandated by a government or an offer without legislation.
- 13. "BOEM" shall mean the Bureau of Ocean Energy Management (BOEM) in the Department of the Interior, and any of its predecessors, including Minerals Management Service (MMS).

- 14. "Identify," "identification" or "identity" as applied to a person means to provide:
- (a) When used in reference to a natural person: full name; present or last known business and residence addresses and telephone numbers; present or last known business affiliation; and present or last known business positions (including job title and a description of job functions, duties and responsibilities);
- (b) When used in reference to any entity other than a natural person: its full name; the address and telephone number of its principal place of business; the jurisdiction under the laws of which it has been organized or incorporated; the identity of all persons who acted and/or who authorized another to act on its behalf in connection with the matters referred to; in the case of a corporation, the names of its directors and principal officers; and
- (c) In the case of an entity other than a corporation, the identities of its partners or principals or all persons who acted or who authorized another to act on its behalf in connection with the matters referred to.
- 15. The terms "identify," "identification" or "identity" as applied to an oral communication means to provide the following information:
  - (a) By whom it was made and to whom it was directed;
  - (b) Its specific subject;
  - (c) The date upon which it was made;
  - (d) Who else was present when it was made; and
  - (e) Whether it was recorded, described or summarized in any writing of any type and, if so, the identity of each such writing in the manner indicated below.
- 16. The terms "identify," "identification" or "identity" as applied to a written communication or document means to provide the following information:

- (a) Its nature (e.g., letter, memorandum, telegram, note, drawing, etc.);
- (b) Its specific subject;
- (c) By whom it was made and to whom it was directed;
- (d) The date upon which it was made; and
- (e) Who has possession of the original copies.
- 17. "Communication" or "communications" means and refer to without limitation, any document, statement, or expression which constitutes, embodies, evidences or relates to any transmission of a word, statement, fact, thing, idea, writing, instruction, demand or question, whether oral or written, including but not limited to letters, telecopies, telexes, e-mails, voicemails, meetings, discussions, conversations, telephone calls, memoranda, conferences or seminars.
- 18. "Relating to" means containing, constituting, considering, comprising, concerning, discussing, regarding, describing, reflecting, studying, commenting or reporting on, mentioning, analyzing, or referring, alluding, or pertaining to, in whole or in part.
- 19. "Date" means the exact day, month and year, if ascertainable, or, if not, the best approximation (including relationship to other events).
- 20. The term "document" as used herein is employed in the broadest possible sense under the Commission's rules to include any medium upon which information is recorded or preserved, by whomever generated or received, and means, without limitation, any written, printed, typed, photostated, photographed, recorded, taped or otherwise reproduced communications, compilations or reproductions including computer generated or stored information or data, whether asserted to be privileged or not and including all copies or drafts of any document which differs (by annotation or otherwise) in any respect from the original.

21. Unless otherwise specifically stated, these Requests encompass documents, which were created, received, or generated or otherwise entered into your possession, custody, or control between January 1, 2001 and the present.

#### **INTERROGATORIES**

- 1. For each wind, solar or nuclear plant or project owned or operated by Exelon or from which Exelon purchases power, identify
  - (kk) Whether the project is wind, solar or nuclear
  - (ll) The location of the project
  - (mm) The number of MW of the project
  - (nn) The date of commercial operation of the project
- (oo) Whether the project is owned or operated, and if owned, the fraction owned by Exelon
- (pp) Any wholesale purchaser of the energy, capacity or renewable energy credits associated with a project owned or operated by Exelon
- (qq) The owner and operator any wind or solar project from which Exelon purchases power
  - 2. For each energy storage project owned or operated by Exelon, identify
    - (a) The location of the project
    - (b) The number of MW of the project
    - (c) The date of commercial operation of the project
    - (d) Whether the project is owned or operated
    - (e) If owned, the fraction owned by Exelon

- 3. During the period June 1, 2013 until May 31, 2014, for each State in which one of Exelon's existing electric distribution companies operates, identify:
  - (a) The total megawatt-hours (MWh) of wind power supplied
  - (b) The total MWh of solar power supplied
- (c) The total MWh of any renewable energy source other than wind or solar power supplied
  - (d) The total number of RECs held
  - (e) The total number of SRECs held
- 4. With regard to any green pricing programs, for each of Exelon's existing electric distribution companies:
  - (a) Identify each offer that is presently available and for each such offer
    - (i) Indicate the extent of the price premium, if any.
- (ii) Indicate whether the price premium includes any costs associated with the purchase of RECs or SRECs, and if so, the fraction of the price premium that is based on such purchases.
- 5. Does Exelon continue to fully endorse the statements of its former Chairman and CEO John W. Rowe's regarding Climate Change and the press release of September 28, 2009? If not, please identify the ways in which it departs from that position.
  - 6. What steps, if any, are Exelon undertaking to de-carbonize its generation assets?
  - 7. What steps, if any, are Exelon undertaking to de-carbonize its supply purchases?

- 8. For each of the following, identify what, if any steps, measures or actions that Exelon has undertaken or is intending to undertake, as appropriate:
- (a) Deployment of microgrids through its existing electricity distribution utilities
  - (b) Expansion of microgrids in PHI's electricity distribution territory
- (c) Deployment of smart grids through its existing electricity distribution utilities
  - (d) Expansion of smart grids in PHI's electricity distribution territory
- (e) Deployment of electric vehicle charging stations through its existing electricity distribution utilities
- (f) Expansion of electric vehicle charging stations in PHI's electricity distribution territory
- (g) Deployment of energy storage through its existing electricity distribution utilities
  - (h) Expansion of energy storage in PHI's electricity distribution territory
- (i) Prevention of natural gas pipeline leaks though its existing energy distribution utilities
- (j) Prevention of natural gas pipeline leaks in PHI's electricity distribution territory Delaware
- (k) Response to and minimization of natural gas leaks in its existing energy distribution utilities
- (l) Response to and minimization of natural gas leaks in PHI's electricity distribution territory

- (m) Limitation of water use and entrainment and impingement of fish at its nuclear power plants
- 9. Identify each instance in which Exelon took into account external costs in acquisition of supply by its existing energy distribution utilities and explain how it did so for each such instance.
- 10. Identify whether Exelon intends to issue a request for proposals for the construction of new generation resources and long-term supply to serve Delmarva Power & Light supply customers
- 11. Identify whether Exelon intends to construct any new generation in the State of Delaware
- 12. Identify whether Exelon intends to meet any of Delmarva Power & Light's supply obligations over the next ten years with self-generation—that is, generation owned by Delmarva Power & Light
- 13. Identify any efficiency improvements Exelon will undertake at Pepco buildings in Delaware
- 14. Separately for Exelon and for Pepco, identify the purpose(s), including any factors considered, of entering into the merger and/or acquisition
- 15. Identify the ways, if any, that the acquisition and change in control, if approved, would be adverse to the public interest, including, but not limited to, any rate adjustments, and health or environmental effects.

- 16. With regard to the benefits of the merger and acquisition
- (a) Identify by CEC/BGE customer, the total benefit of the following four items: the residential rate credit, the customer investment fund, the BGE CAIDI Study and the Contribution to RG Steel Sparrows Point.
- (b) Identify by CEC/BGE customer, the benefit of the \$30 million for offshore wind development.
- (c) Provide the basis for providing funding for renewable energy development with regard to CEG/BGE, but not with regard to Pepco and Delmarva Power & Light.
- (d) Provide the basis for Delmarva Power & Light customers with a benefit per customer that is less than that which Exelon provided to CEG/BGE customers.
- (e) Provide the basis for providing CEG/BGE's customers with a residential rate credit and creating a CEG/BGE customer investment fund but only creating a Delmarva Power & Light customer benefit fund.
- (f) Provide the basis for providing Delmarva Power & Light customers with a benefit per customer that is less than that that provided to PECO customers
- 17. Identify the following related to Pepco's shareholders as of as close to April 28, 2014, as possible:
  - (a) The number of outstanding shares of POM
  - (b) The number of restricted shares of POM
  - (c) The number of POM shareholders
  - (d) The number of POM shareholders with restricted shares
  - (e) The median number of shares of POM held

- (f) The number of shares held by every PEPCO and Delmarva Power & Light officer and director
- 18. Does Pepco contend that Delmarva Power & Light will be able to meet the reliability commitments that are proposed in this docket if the merger does not occur?
- (a) If the answer is anything other than an unqualified "Yes," explain the basis for the response
- (b) If the answer is anything other than an unqualified "Yes," what Systems Average Interruption Disruption Index (SAIDI) within the Delaware operational area could be met by 2020 using the metrics proposed by Exelon?
  - 19. What is the direct value to Delmarva customers of:
- (a) The reliability improvement projects already announced by Pepco and/or underway
  - (b) The reliability commitments proposed by Exelon
- 20. Do you contend that Exelon and PHI did not need to submit the change in control of PHI to the jurisdiction of the Commission?
- (a) If the answer is anything other than an unqualified "No," explain the basis for the response.
- (b) If the answer is anything other than an unqualified "No," quantify the benefit to Delmarva Power & Light customers.
- 21. Explain how "maintaining" a local presence benefits Delmarva customers over what would result in the absence of Exelon's acquisition of PHI.

- 22. Explain how "honoring" existing collective bargaining contracts and other labor-related actions for at least the first two years is a benefit rather than a detriment over what would result in the absence of Exelon's acquisition of PHI.
- 23. Explain how "retaining" low-income assistance programs benefits Delmarva customers over what would result in the absence of Exelon's acquisition of PHI.
- 24. Explain how not seeking recovery of merger-related costs benefits Delmarva customers over what would result in the absence of Exelon's acquisition of PHI.
  - 25. Identify the company and person(s) who initiated the merger discussions.
- 26. Identify each company and person with whom Pepco discussed the possibility of merging or being acquired as an alternative to Exelon since 2010
- (a) For each such company or person, identify the benefits or advantages identified by that company or person that would have accrued to the public and Delmarva Power & Light ratepayers for such a merger or acquisition
- (b) Identify the extent to which the benefits or advantages would have been possibly more or less advantageous to the public and Delmarva Power & Light ratepayers for such a merger or acquisition
- 27. Identify each person you intend to call as a witness (expert or otherwise) in this proceeding.
- 28. Identify each person who participated in, supplied information to, or assisted the person verifying the answers to these interrogatories and requests for production of documents, including those person(s) who have provided information for such answers, stating with specificity the answer(s) involved.

#### **REQUESTS FOR PRODUCTION**

- 1. Produce all documents related to a response to the interrogatory requests
- 2. Produce a copy of the CV or resume of each person identified in response to interrogatory 27 and to interrogatory 28
- 3. Produce a copy of John Rowe's prepared remarks that accompanied the September 28, 2009 Exelon press release
  - 4. Produce each and every Exelon communication or document relating to:
  - (a) The Maryland Wind Energy Area designated by BOEM located off the coast of Ocean City, Maryland and Fenwick, Delaware
    - (b) The Maryland Offshore Wind Energy Act of 2013
    - (c) The Bluewater Wind Project and the Delaware Wind Energy Area
    - (d) Leasing of Wind Energy Areas designated BOEM
    - (e) The cost of offshore wind power
    - (f) The reliability of offshore wind power
    - (g) The intermittency of offshore wind power
    - (h) The purchase of power from offshore wind power projects
    - (i) Grid integration costs of wind and/or solar power
    - (i) The price suppression or avoided cost effects of wind and/or solar power
    - (k) Electric vehicles, including grid-integrated electric vehicles
    - (1) Proposed or new nuclear power generation
    - (m) A diverse supply portfolio
  - (n) State Renewable Portfolio Standards (RPS) and/or Renewable Energy Credits (RECs), including solar RECs (SRECs)
    - (o) Federal Renewable Portfolio Standards Bills
    - (p) The US Production Tax Credit for nuclear power

- (q) The US Production Tax Credit for wind power
- (r) The US Investment Tax Credit for wind power
- (s) The Price Anderson Act of 1957, as amended
- (t) The federal loan guarantee program in the context of electricity generation
- (u) The allocation of costs related to transmission
- (v) The Regional Greenhouse Gas Initiative (RGGI)
- (w) Carbon taxes
- (x) Market-based programs for SO2
- (y) Market-based programs for carbon
- (z) The American Clean Energy and Security Act, also known as the Waxman-Markey Bill, H.R. 2454, which was approved the U.S. House of Representatives in 2009
  - (aa) EPA's 2014 proposed Clean Power Plan
- (bb) The social cost of carbon, including the Interagency Working Group's efforts related thereto
  - (cc) Climate Change/Global Warming
    - (i) Whether it is occurring
    - (ii) Whether it is human caused
    - (iii) Risks posed to electrical generation supply
  - (dd) Ocean Acidification
- 5. Provide a copy of any testimony of or reports prepared by Dr. Tierney related to the Cape Wind offshore wind power project or the Deepwater Wind Block Island offshore wind power project

6. Provide a copy of all documents related to the Joint Petition of Approval of Settlement and the Joint Settlement entered into in case 9271 before the Public Service Commission of Maryland

Jeremy Firestone July 31, 2014

### Exhibit B

#### JOINT APPLICANTS DELAWARE PSC 14-193

### RESPONSE TO JEREMY FIRESTONE'S INITIAL PHASE INTERROGATORIES REQUEST NO. 1

#### QUESTION NO. 1

- Q. FOR EACH WIND, SOLAR OR NUCLEAR PLANT OR PROJECT OWNED OR OPERATED BY EXELON OR FROM WHICH EXELON PURCHASES POWER, IDENTIFY
  - (G) WHETHER THE PROJECT IS WIND, SOLOR OR NUCLEAR
  - (H) THE LOCATION OF THE PROJECT
  - (I) THE NUMBER OF MW OF THE PROJECT
  - (J) THE DATE OF COMMERCIAL OPERATION OF THE PROJECT
  - (I) THE NUMBER OF MW OF THE PROJECT
  - (J) THE DATE OF COMMERCIAL OPERATION OF THE PROJECT
  - (K) WHETHER THE PROJECT IS OWNED OR OPERATED, AND IF OWNED, THE FRACTION OWNED BY EXELON
  - (L) ANY WHOLESALE PURCHASER OF THE ENERGY, CAPACITY OR RENEWABLE ENERGY CREDITS ASSOCIATED WITH A PROJECT OWNED OR OPERATED BY EXELON

#### **RESPONSE:**

A. Exelon-owned electric generating assets, including nuclear, solar and wind, and their respective capacity (MW), location, percent ownership, primary energy source are listed on page 65 to 67 of the 2013 Exelon Corporation 10-K which can be obtained at: http://www.exeloncorp.com/performance/investors/overview.aspx

The date of commercial operation for each nuclear generation station can be found on page 12 of the 2013 10-K.

Date of commercial operation for each renewable generation asset, including solar and wind, can be found on our web site in the detail for each site at: <a href="http://www.exeloncorp.com/energy/generation/generation.aspx">http://www.exeloncorp.com/energy/generation/generation.aspx</a>

A summary of Exelon's generation for sale is available on page 9 of the 2013 10-K. Further details about long-term power purchases are available in the 2013 10-K pages 16 and 17. Source and sales details are considered proprietary.

#### **QUESTION NO. 2**

- Q. FOR EACH EACH ENERGY STORAGE PROJECT OWNED OR OPERATED BY EXELON, IDENTIFY
  - (A) THE LOCATION OF THE PROJECT
  - (B) THE NUMBER OF MW OF THE PROJECT
  - (C) THE DATE OF COMMERCIAL OPERATION OF THE PROJECT
  - (D) WHETHER THE PROJECT IS OWNED OR OPERATED
  - (E) IF OWNED, THE FRACTION OWNED BY EXELON

#### **RESPONSE:**

A.

Muddy Run pumped-hydro storage facility is currently the only energy storage project owned or operated by Exelon. Its date of commercial operation is 1968. Owned assets, including Muddy Run, and their capacity (MW), location, percent ownership, primary energy source are listed on page 65 to 67 of the 2013 Exelon Corporation 10-K which can be obtained at <a href="http://www.exeloncorp.com/performance/investors/overview.aspx">http://www.exeloncorp.com/performance/investors/overview.aspx</a>.

Additional site specific details on the Muddy Run facility can be found on our website at http://www.exeloncorp.com/PowerPlants/muddyrun/Pages/profile.aspx

#### **QUESTION NO. 3**

- Q. DURING THE PERIOD JUNE 1, 2013 UNTIL MAY 31, 2014, FOR EACH STATE IN WHICH ONE OF EXELON'S EXISTING ELECTRIC DISTRIBUTION COMPANIES OPERATES, IDENTIFY:
  - (A) THE TOTAL MEGAWATT-HOURS (MWH) OF WIND POWER SUPPLIED
  - (B) THE TOTAL MWH OF SOLAR POWER SUPPLIED
  - (C) THE TOTAL MWH OF ANY RENEWABLE ENERGY SOURCE OTHER THAN WIND OR SOLAR POWER SUPPLIED
  - (D) THE TOTAL NUMBER OF RECS HELD
  - (E) THE TOTAL NUMBER OF SRECS HELD

#### **RESPONSE:**

#### A. <u>A, B, and C:</u>

BGE, ComEd, and PECO do not own generation. All supply is sourced from the PJM System Mix. State renewable energy supply compliance is achieved by purchasing Renewable Energy Credits (RECs), which are decoupled from real-time generation. See number of RECs held in responses D and E.

#### D and E:

#### For BGE:

REC Retirements for the Period June 1 2013 to May 31, 2014	
Class I	24,119
Class II	7,589
Solar	764
Total RECs	32,472

REC Inventory after Retirements, as of May 31, 2014	
Class I	366
Class II	425
Solar	271
Total RECs	1,062

#### For ComEd:

REC Retirements for the Period June 1 2013 to May 31, 2014	
Other Renewable RECs	255,950
Solar RECs	31,116
Wind RECs	1,928,130
Total RECs	2,215,196

Zero RECs are held in inventory as of May 31, 2014.

#### For PECO:

REC Retirements for the Period June 1 2013 to May 31, 2014	
Other Renewable RECs	909,196
Solar RECs	9,915
Wind RECs	344,188
Total RECs	1,263,299

REC Inventory after Retirements, as of May 31, 2014	
Other Renewable RECs	190,064
Solar RECs	10,343
Wind RECs	357,668
Total RECs	558,075

#### **QUESTION NO. 4**

- Q. WITH REGARD TO ANY GREEN PRICING PROGRAMS, FOR EACH OF EXELON'S EXISTING ELECTRIC DISTRIBUTION COMPANIES:
  - (A) IDENTIFY EACH OFFER THAT IS PRESENTLY AVAILABLE AND FOR EACH SUCH OFFER
    - (I) INDICATE THE EXTENT OF THE PRICE PREMIUM, IF ANY.
    - (II) INDICATE WHETHER THE PRICE PREMIUM INCLUDES ANY COSTS ASSOCIATED WITH THE PURCHASE OF RECS OR SRECS, AND IF SO, THE FRACTION OF THE PRICE PREMIUM THAT IS BASED ON SUCH PURCHASES.

#### **RESPONSE:**

A.

#### **BGE** Response

A. BGE has no specific green pricing programs and is prohibited from offering such programs.

#### ComEd Response

A. Commonwealth Edison Company does not offer any green pricing electricity supply programs.

#### PECO Response

A. PECO currently does not offer green pricing programs.

#### **QUESTION NO. 5**

Q. DOES EXELON CONTINUE TO FULLY ENDORSE THE STATEMENTS OF ITS FORMER CHAIRMAN AND CEO JOHN W. ROWE'S REGARDING CLIMATE CHANGE AND THE PRESS RELEASE OF SEPTEMBER 28, 2009? IF NOT, PLEASE IDENTIFY THE WAYS IN WHICH IT DEPARTS FROM THAT POSITION

#### **RESPONSE:**

A. In the September 28, 2009 Press Release

(<a href="http://www.exeloncorp.com/newsroom/pages/pr\_20090928.aspx">http://www.exeloncorp.com/newsroom/pages/pr\_20090928.aspx</a>) John Rowe stressed the importance of a value on carbon and how it should be incorporated into competitive power of markets. Mr. Rowe also announced during the speech that Exelon would not be renewing its membership in the U.S. Chamber of Commerce due to the organization's opposition to climate legislation, as well as made public Exelon's greenhouse gas abatement goal, Exelon 2020, which highlighted how greenhouse gas emissions could be reduced in a cost effective manner.

Exelon continues to advocate for competitive markets and equitable economic realization of the value of all low carbon energy sources. Further, it is Exelon's position that competitive market mechanisms will drive the lowest cost solutions for reducing greenhouse gas carbon emissions. In more recent years, Exelon has reestablished it membership in the US Chamber of Commerce, and is actively involved in working with a variety of stakeholders, including government agencies and states to review and fully explore the implications of the U.S. EPA's Clean Power Plan.

Exelon supports compliance solutions that treat all carbon-free resources equally, regardless of age or technology, and provide flexibility to states to adopt strategies that allow market-based, cost-effective, solutions for consumers. Meaningful and verifiable reduction standards will further enable corporations to factor carbon emissions into their strategic business planning and direct investments to technologies that most effectively reduce greenhouse gas emissions. Exelon will continue work to articulate its position clearly and engage key stakeholders to establish effective market solutions. Additional information on our current policy positions please visit the Policy page on our corporate website at:

http://www.exeloncorp.com/performance/policypositions/overview.aspx

In following through on the strategy established by John Rowe, Exelon achieved the Exelon 2020 program goal with a total of 18.1 million metric tons of GHG abated in 2013 through a combination of absolute emission reductions, customer programs associated with energy efficiency and renewable portfolio standards, and increased output/efficiency improvements at our nuclear generation stations. Refer to the 2013 Corporate Sustainability Report (<a href="http://www.exeloncorp.com/assets/newsroom/docs/csr/index.html">http://www.exeloncorp.com/assets/newsroom/docs/csr/index.html</a>) pages 14 through 31 for additional details on our current response to climate change issues.

#### QUESTION NO. 6

Q. WHAT STEPS, IF ANY, ARE EXELON UNDERTAKING TO DE-CARBONIZE ITS GENERATION ASSETS?

#### RESPONSE:

- A. As summarized in our 2013 CSR, Exelon has been taking steps to abate greenhouse gas emissions from its operation and to help its customers reduce their emissions, including measures to "de-carbonize" Exelon's electric generation assets, such as:
- Produced a record 158.6 million megawatt-hours (MWh) of low-carbon nuclear power
- Produced more than 5.8 million MWh from renewable sources including owned wind, hydro and solar capacity
- Surpassed the Exelon 2020 goal, seven years ahead of schedule, with the abatement of more than 18 million metric tons of carbon dioxide equivalents (CO2e)
- Further refined the Exelon corporate response to climate change to focus on: 1) reducing operational impacts; 2) contributing to the lowering of electric sector GHG emissions; and, 3) addressing the issue of infrastructure resiliency.

Exelon is advancing the production and delivery of clean, reliable and competitively priced forms of energy across the energy value chain. Exelon is working with communities and regulators to promote market rules and structures that ensure fair treatment of clean, competitive, reliable generation. The company is optimizing its existing generation fleet and exploring a variety of new technologies to most efficiently and effectively meet the future market demand for electricity. Through continued investments in a clean energy portfolio, transmission and distribution systems, and customer programs, Exelon is building a sustainable energy future and responding to climate change issues in a way that fosters business value and supports continued environmental progress. For more information refer to the 2013 Corporate Sustainability Report (<a href="http://www.exeloncorp.com/assets/newsroom/docs/csr/index.html">http://www.exeloncorp.com/assets/newsroom/docs/csr/index.html</a> ) pages 14 through 31 for additional details on Exelon's current response to climate change issues.

Additional information on Exelon greenhouse gas abatement initiatives can be found in section cc3.3b starting on page 20 of Exelon's 2014 CDP Climate Change Investors Survey Response located at http://www.exeloncorp.com/assets/environment/docs/Exelon Investor CDP.pdf

#### QUESTION NO. 7

Q. WHAT STEPS, IF ANY, ARE EXELON UNDERTAKING TO DE-CARBONIZE ITS SUPPLY PURCHASES?

#### RESPONSE:

A.

Exelon Utilities and its retail organization Constellation purchase electricity in compliance with prevailing state Renewable Portfolio Standards (RPS) and to support customer demand for the purchase of power specified to be supplied from renewable sources. Details on the avoided GHG emissions associated with these purchases are available as part of Exelon's 2013 CSR <a href="http://www.exeloncorp.com/assets/newsroom/docs/CSR/index.html">http://www.exeloncorp.com/assets/newsroom/docs/CSR/index.html</a> on page 26 as well as in Exelon's 2014 CDP Climate Change Investors Survey Response in Section 3.3b starting on page 20.

http://www.exeloncorp.com/assets/environment/docs/Exelon\_Investor\_CDP.pdf

#### **QUESTION NO. 8**

- Q. FOR EACH OF THE FOLLOWING, IDENTIFY WHAT, IF ANY STEPS, MEASURES OR ACTIONS THAT EXELON HAS UNDERTAKEN OR IS INTENDING TO UNDERTAKE, AS APPROPRIATE:
  - (A) DEPLOYMENT OF MICROGRIDS THROUGH ITS EXISTING ELECTRICITY DISTRIBUTION UTILITIES
  - (B) EXPANSION OF MICROGRIDS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
  - (C) DEPLOYMENT OF SMART GRIDS THROUGH ITS EXISTING ELECTRICITY DISTRIBUTION UTILITIES
  - (D) EXPANSION OF SMART GRIDS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
  - (E) DEPLOYMENT OF ELECTRIC VEHICLE CHARGING STATIONS THROUGH ITS EXISTING ELECTRICITY DISTRIBUTION UTILITIES
  - (F) EXPANSION OF ELECTRIC VEHICLE CHARGING STATIONS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
  - (G) DEPLOYMENT OF ENERGY STORAGE THROUGH ITS EXISTING ELECTRICITY DISTRIBUTION UTILITIES
  - (H) EXPANSION OF ENERGY STORAGE IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
  - (I) PREVENTION OF NATURAL GAS PIPELINE LEAKS THOUGH ITS EXISTING ENERGY DISTRIBUTION UTILITIES
  - (J) PREVENTION OF NATURAL GAS PIPELINE LEAKS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY DELAWARE
  - (K) RESPONSE TO AND MINIMIZATION OF NATURAL GAS LEAKS IN ITS EXISTING ENERGY DISTRIBUTION UTILITIES

- (L) RESPONSE TO AND MINIMIZATION OF NATURAL GAS LEAKS IN PHI'S ELECTRICITY DISTRIBUTION TERRITORY
- (M) LIMITATION OF WATER USE AND ENTRAINMENT AND IMPINGEMENT OF FISH AT ITS NUCLEAR POWER PLANTS

#### **RESPONSE:**

#### A.

- 1-8a Exelon utilities evaluate technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.
- 1-8b Exelon does not engage in this activity in PHI's territory at this time.
- 1-8c Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.
- 1-8d Exelon does not engage in this activity in PHI's territory at this time.
- 1-8e Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.
- 1-8f Exelon does not engage in this activity in PHI's territory at this time.
- 1-8g Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits to the commission which are available through the commission and/or company websites, where applicable.
- 1-8h Exelon does not engage in this activity in PHI's territory at this time.
- 1-8i Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.

- 1-8j Exelon does not engage in this activity in PHI's territory at this time.
- 1-8k Exelon utilities evaluates technologies and applications in accordance with the legal and regulatory requirements of each state. Each utility posts information on such programs and submits updates to the commission which are available through the commission and/or company websites, where applicable.
- 1-81 Exelon does not engage in this activity in PHI's territory at this time.

1-8m – Exelon evaluated the impacts of water use and entrainment and impingement of fish at nuclear plants as part of the EPA's 316(b) rulemaking. Those comments are available at EPA's website. See Exelon's Comments on the 2011 Proposal:

 $\frac{http://www.regulations.gov/contentStreamer?objectId=0900006480ee4c21\&disposition=attachment\&contentType=pdf}{}$ 

As well as Exelon's Comments on the 2012 Notices of Data Availability (NODAs): <a href="http://www.regulations.gov/contentStreamer?objectId=090000648108b313&disposition=attachment&contentType=pdf">http://www.regulations.gov/contentStreamer?objectId=090000648108b313&disposition=attachment&contentType=pdf</a> (impingement technology)

### **QUESTION NO. 9**

Q. IDENTIFY EACH INSTANCE IN WHICH EXELON TOOK INTO ACCOUNT EXTERNAL COSTS IN ACQUISITION OF SUPPLY BY ITS EXISTING ENERGY DISTRIBUTION UTILITIES AND EXPLAIN HOW IT DID SO FOR EACH SUCH INSTANCE.

### **RESPONSE:**

A. Exelon utilities procure energy for purposes of serving default service customers in accordance with the legal and regulatory requirements of each state. Procurement requirements can be accessed through each state's commission and Exelon utilities website.

#### **QUESTION NO. 10**

Q. IDENTIFY WHETHER EXELON INTENDS TO ISSUE A REQUEST FOR PROPOSALS FOR THE CONSTRUCTION OF NEW GENERATION RESOURCES AND LONG-TERM SUPPLY TO SERVE DELMARVA POWER & LIGHT SUPPLY CUSTOMERS

### **RESPONSE**:

A. Exelon will take legal and prudent actions that are consistent with state procurement requirements and orders by the Delaware Public Service Commission which may include a variety of methods of procuring energy to meet DP&L's standard offer service requirements.

### **QUESTION NO. 11**

Q. IDENTIFY WHETHER EXELON INTENDS TO CONSTRUCT ANY NEW GENERATION IN THE STATE OF DELAWARE

### **RESPONSE**:

A. Exelon has not made any decision to construct generation in the State of Delaware at this time.

### **QUESTION NO. 12**

Q. IDENTIFY WHETHER EXELON INTENDS TO MEET ANY OF DELMARVA POWER & LIGHT'S SUPPLY OBLIGATIONS OVER THE NEXT TEN YEARS WITH SELF-GENERATION – THAT IS, GENERATION OWNED BY DELMARVA POWER & LIGHT.

### **RESPONSE**:

A. Exelon will take legal and prudent actions that are consistent with state procurement requirements and orders by the Delaware Public Service Commission which may include a variety of methods of procuring energy to meet DP&L's standard offer service requirements.

### **QUESTION NO. 13**

Q. IDENTIFY ANY EFFICIENCY IMPROVEMENTS EXELON WILL UNDERTAKE AT PEPCO BUILDINGS IN DELAWARE

#### **RESPONSE:**

A. Exelon has not yet identified at this time any efficiency improvements it will undertake at Pepco buildings in Delaware. Of note, however, is Exelon's track record in undertaking energy efficiency improvements in its existing footprints. For instance, Exelon announced on April 23, 2014 that it reduced or avoided more than 18 million metric tons of greenhouse gas (GHG) emissions in 2013, surpassing its goal of eliminating 17.5 million metric tons of greenhouse gas (GHG) emissions per year by 2020. Exelon completed the goal established by its "Exelon 2020" program seven years earlier than planned through an enterprise-wide approach that included reducing emissions in its operations, helping its customers and communities reduce their emissions, and adding more clean energy on the grid to displace energy from higher carbon sources.

### **QUESTION NO. 14**

Q. SEPARATELY FOR EXELON AND FOR PEPCO, IDENTIFY THE PURPOSE(S), INCLUDING ANY FACTORS CONSIDERED, OF ENTERING INTO MERGER AND/OR ACQUISITION

### **RESPONSE:**

A. The Joint Applicants object to this request on grounds that it is overly broad, unduly burdensome and outside the scope of this intervener's limited intervention. Without waving any objection, the Joint Petitioners respond: See Merger Application, prefiled testimonies, Proxy Statement and other publicly available statements concerning reasons for merger.

SPONSOR: PHI

### **QUESTION NO. 15**

Q. IDENTIFY THE WAYS, IF ANY, THAT THE ACQUISITION AND CHANGE IN CONTROL, IF APPROVED, WOULD BE ADVERSE TO THE PUBLIC INTEREST, INCLUDING, BUT NOT LIMITED TO, ANY RATE ADJUSTMENTS, AND HEALTH OR ENVIRONMENTAL EFFECTS

#### **RESPONSE:**

A. The acquisition and change in control will not be approved unless the Delaware Public Service Commission, applying standards and criteria established by Delaware law and based upon substantial evidence, finds and determines that the acquisition and change in control are consistent with the public interest. Consequently, if the acquisition and change in control are approved, they will not be inconsistent with the public interest. Conversely, if the Delaware Public Service Commission, applying standards and criteria established by Delaware law and based upon substantial evidence, were to find and determine that the acquisition and change in control are not consistent with the public interest, it would not grant its approval -- an outcome that the Joint Applicants believe is not warranted based on the Joint Application and accompanying testimony filed in this case.

### **QUESTION NO. 16**

- Q. WITH REGARD TO THE BENEFITS OF THE MERGER AND ACQUISITION
  - (A) IDENTIFY BY CEC/BGE CUSTOMER, THE TOTAL BENEFIT OF THE FOLLOWING FOUR ITEMS: THE RESIDENTIAL RATE CREDIT, THE CUSTOMER INVESTMENT FUND, THE BGE CAIDI STUDY AND THE CONTRIBUTION TO RG STEEL SPARROWS POINT.
  - (B) IDENTIFY BY CEC/BGE CUSTOMER, THE BENEFIT OF THE \$30 MILLION FOR OFFSHORE WIND DEVELOPMENT.
  - (C) PROVIDE THE BASIS FOR PROVIDING FUNDING FOR RENEWABLE ENERGY DEVELOPMENT WITH REGARD TO CEG/BGE, BUT NOT WITH REGARD TO PEPCO AND DELMARVA POWER & LIGHT.
  - (D) PROVIDE THE BASIS FOR DELMARVA POWER & LIGHT CUSTOMERS WITH A BENEFIT PER CUSTOMER THAT IS LESS THAN THAT WHICH EXELON PROVIDED TO CEG/BGE CUSTOMERS.
  - (E) PROVIDE THE BASIS FOR PROVIDING CEG/BGE'S CUSTOMERS WITH A RESIDENTIAL RATE CREDIT AND CREATING A CEG/BGE CUSTOMER INVESTMENT FUND BUT ONLY CREATING A DELMARVA POWER & LIGHT CUSTOMER BENEFIT FUND.
  - (F) PROVIDE THE BASIS FOR PROVIDING DELMARVA POWER & LIGHT CUSTOMERS WITH A BENEFIT PER CUSTOMER THAT IS LESS THAN THAT THAT PROVIDED TO PECO CUSTOMERS

#### RESPONSE:

A. The Joint Applicants object to this request on grounds that it is overly broad, unduly burdensome and outside the scope of this intervener's limited intervention. Without waving any objection, the Joint Applicants respond:

<u>With respect to benefits offered to Delmarva Power customers</u>: See Merger Application, prefiled testimonies, Proxy Statement and other publicly available statements concerning benefits arising from the merger.

### JOINT APPLICANTS DELAWARE PSC 14-193

### RESPONSE TO JEREMY FIRESTONE'S INITIAL PHASE INTERROGATORIES REQUEST NO. 16

With respect to what this intervener refers to as "benefits" provided to "CEG/BGE" customers, which the Joint Applicants interpret to mean benefits provided in Maryland as a result of the merger between Exelon Corporation, Constellation Energy Group, Inc., and Baltimore Gas and Electric Company in 2012: see the Maryland Public Service Commission website <a href="http://webapp.psc.state.md.us/Intranet/home.cfm">http://webapp.psc.state.md.us/Intranet/home.cfm</a> in the Case Jacket for Case No. 9271, In the Matter of the Merger of Exelon Corporation and Constellation Energy Group, Inc.

### **QUESTION NO. 17**

- Q. IDENTIFY THE FOLLOWING RELATED TO PEPCO'S SHAREHOLDERS AS OF AS CLOSE TO APRIL 28, 2014, AS POSSIBLE:
  - (A) THE NUMBER OF OUTSTANDING SHARES OF POM
  - (B) THE NUMBER OF RESTRICTED SHARES OF POM
  - (C) THE NUMBER OF POM SHAREHOLDERS
  - (D) THE NUMBER OF POM SHAREHOLDERS WITH RESTRICTED SHARES
  - (E) THE MEDIAN NUMBER OF SHARES OF POM HELD
  - (F) THE NUMBER OF SHARES HELD BY EVERY PEPCO AND DELMARVA POWER & LIGHT OFFICER AND DIRECTOR

#### **RESPONSE:**

A. The Joint Applicants object to this request on grounds that it is overly broad, unduly burdensome and outside the scope of this intervener's limited intervention. Without waving any objection, the Joint Petitioners respond: See Proxy Statement filed August 12, 2014.

SPONSOR: PHI

### **QUESTION NO. 18**

- Q. DOES PEPCO CONTEND THAT DELMARVA POWER & LIGHT WILL BE ABLE TO MEET THE RELIABILITY COMMITMENTS THAT ARE PROPOSED IN THIS DOCKET IF THE MERGER DOES NOT OCCUR?
  - (A) IF THE ANSWER IS ANYTHING OTHER THAN AN UNQUALIFIED "YES," EXPLAIN THE BASIS FOR THE RESPONSE
  - (B) IF THE ANSWER IS ANYTHING OTHER THAN AN UNQUALIFIED "YES," WHAT SYSTEMS AVERAGE INTERRUPTION DISRUPTION INDEX (SAIDI) WITHIN THE DELAWARE OPERATIONAL AREA COULD BE MET BY 2020 USING THE METRICS PROPOSED BY EXELON?

#### **RESPONSE:**

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

### **QUESTION NO. 19**

- Q. WHAT IS THE DIRECT VALUE TO DELMARVA CUSTOMERS OF:
  - (A) THE RELIABILITY IMPROVEMENT PROJECTS ALREADY ANNOUNCED BY PEPCO AND/OR UNDERWAY
  - (B) THE RELIABILITY COMMITMENTS PROPOSED BY EXELON

### **RESPONSE:**

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

### **QUESTION NO. 20**

- Q. DO YOU CONTEND THAT EXELON AND PHI DID NOT NEED TO SUBMIT THE CHANGE IN CONTROL OF PHI TO THE JURISDICTION OF THE COMMISSION?
  - (A) IF THE ANSWER IS ANYTHING OTHER THAN AN UNQUALIFIED "NO," EXPLAIN THE BASIS FOR THE RESPONSE.
  - (B) IF THE ANSWER IS ANYTHING OTHER THAN AN UNQUALIFIED "NO," QUANTIFY THE BENEFIT TO DELMARVA POWER & LIGHT CUSTOMERS.

### **RESPONSE:**

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

### **QUESTION NO. 21**

Q. EXPLAIN HOW "MAINTAINING" A LOCAL PRESENCE BENEFITS DELMARVA CUSTOMERS OVER WHAT WOULD RESULT IN THE ABSENCE OF EXELON'S ACQUISITION OF PHI.

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### RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

### QUESTION NO. 22.

Q. EXPLAIN HOW "HONORING" EXISTING COLLECTIVE BARGAINING CONTRACTS AND OTHER LABOR-RELATED ACTIONS FOR AT LEAST THE IRST TWO YEARS IS A BENEFIT RATHER THAN A DETRIMENT OVER WHAT WOULD RESULT IN THE ABSENCE OF EXELON'S ACQUISITION OF PHI.

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### **RESPONSE**:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

### **QUESTION NO. 23.**

Q. EXPLAIN HOW "RETAINING" LOW-INCOME ASSISTANCE PROGRAMS BENEFITS DELMARVA CUSTOMERS OVER WHAT WOULD RESULT IN THE ABSENCE OF EXELON'S ACQUISITION OF PHI.

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### **RESPONSE**:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

### QUESTION NO. 24.

Q. EXPLAIN HOW NOT SEEKING RECOVERY OF MERGER-RELATED COSTS BENEFITS DELMARVA CUSTOMERS OVER WHAT WOULD RESULT IN THE ABSENCE OF EXELON'S ACQUISITION OF PHI.

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### **RESPONSE:**

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

### QUESTION NO. 25.

Q. IDENTIFY THE COMPANY AND PERSON(S) WHO INITIATED THE MERGER DISCUSSIONS.

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### RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

### QUESTION NO. 26.

- Q. IDENTIFY EACH COMPANY AND PERSON WITH WHOM PEPCO DISCUSSED THE POSSIBILITY OF MERGING OR BEING ACQUIRED AS AN ALTERNATIVE TO EXELON SINCE 2010
  - (A) FOR EACH SUCH COMPANY OR PERSON, IDENTIFY THE BENEFITS OR ADVANTAGES IDENTIFIED BY THAT COMPANY OR PERSON THAT WOULD HAVE ACCRUED TO THE PUBLIC AND DELMARVA POWER & LIGHT RATEPAYERS FOR SUCH A MERGER OR ACQUISITION

RESPONSE:

A. Question withdrawn pursuant to agreement between the Joint Applicants and Intervener Jeremy Firestone.

### QUESTION NO. 27.

Q. IDENTIFY EACH PERSON YOU INTEND TO CALL AS A WITNESS (EXPERT OR OTHERWISE) IN THIS PROCEEDING.

### **RESPONSE**:

A. The Joint Applicants object to this request to the extent it violates the attorney/client privilege and work product doctrines. Without waiving any objection, the Joint Applicants respond that at this point in the docket, the Joint Applicants intend to call the witnesses who have provided pre-filed testimony and any additional witnesses who may file additional pre-filed testimony as this docket progresses. The Joint Applicants reserve their rights to identify additional witnesses throughout this proceeding, at any time as may be necessary and/or permitted, for purposes of, including but not limited to, responding to issues that may be raised in this docket by any participant.

### QUESTION NO. 28.

Q. IDENTIFY EACH PERSON WHO PARTICIPATED IN, SUPPLIED INFORMATION TO, OR ASSISTED, **IN A MATERIAL MANNER**, THE PERSON VERIFYING THE ANSWERS TO THESE INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS, INCLUDING THOSE PERSON(S) WHO HAVE PROVIDED INFORMATION FOR SUCH ANSWERS, STATING WITH SPECIFICITY THE ANSWER(S) INVOLVED.

#### **RESPONSE:**

A. The Joint Applicants object to this request to the extent that it is vague and ambiguous in the use of the phrase, "in a material manner," and to the extent that it is overly broad, unduly burdensome and seeks information that is irrelevant. Without waiving any objection, and to the extent the Joint Applicants understand the request, the Joint Applicants respond that the person responsible for responding to these data requests is the person identified as the sponsor of the response. To the extent a sponsor is not listed at this time, a sponsor will be listed prior to going to hearing on this matter.

<sup>&</sup>lt;sup>1</sup> Underlined/bolded/strikethrough language reflects changes to the request agreed upon between the Joint Applicants and Intervener Jeremy Firestone.